

Social protection in Cabo Verde : the little archipelago that could

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When it comes to establishing social protection floors, few nations in Africa can match Cabo Verde's commitment and results.

The Cabo Verde archipelago - off the west coast of Africa - is known by many around the world for its traditional music made popular by singers such as Cesária Évora.

But lately, this island country has become famous for another very important reason - its [social protection system](#).

According to a policy brief published by the International Labour Organization's (ILO) Social Protection Department, over 90 per cent of older persons in Cabo Verde receive a pension, if you add up contributory and non-contributory coverage.

Maria Afonso is an 80-year-old pensioner from São Domingos, a small city of more than 10,000 inhabitants on the island of Santiago.

Afonso lives with her husband and one of her six children. Her husband lost a leg six months ago and is now in a wheelchair. So she relies heavily on the 'social pension' to survive.

"Thanks to the pension I receive, I can pay for water at home. That means I don't have to go out and get water, which would be difficult for me since I have back problems," she says.

"I can also pay for my phone bill. This matters a lot for me since many of my children live abroad."

"After paying my bills, I still have a little bit of money to use for the rest of the month," she adds.

Afonso is one of the beneficiaries of the social pension, a unified scheme that guarantees basic income security for people over 60, the disabled and for children with disabilities living in poor families.

It now covers about 46 per cent of those who are 60 years old and over.

Beneficiaries receive a monthly payment of 5,000 Caboverdian escudos (about US\$ 65).

This represents 20 per cent more than the poverty line. To qualify for the social pension, older persons must be residents of Cabo Verde, be 60 years old or above, have an income below the national official poverty line and not be covered by any other social security scheme.

The [social pensions](#) cost nearly 0.4 per cent of Cabo Verde's GDP and are fully financed from the state budget. The Mutual Health Fund is financed from beneficiaries' monthly contributions of 100

escudos (US\$1) per pensioner.

This fund was established within the social pension system to subsidise the purchase of medicines from private pharmacies up to an annual ceiling of 2,500 escudos (about US\$25). It also provides a funeral allowance of 7,000 escudos (about US\$ 70) in case the pensioner dies.

“We have paid particular attention to the elderly in our country by raising the number of people who can benefit from the minimum social pension and by increasing its amount,” explained Janira Hopffer Almada, Cabo Verde’s Minister of Youth, Employment and Human Resources Development.

“We know we still have a long way to go, but we believe we can move forward thanks also to the support provided by the International Labour Organization,” she said.

From paperwork to biometrics

Cabo Verde took two major steps towards a universal pension scheme.

In 2006, it created the National Centre of Social Pensions (CNPS) and unified pre-existing non-contributory pension programmes. Social pensions are managed by the CNPS and paid through local post offices every month.

“The rapid expansion of pension coverage was achieved by combining contributory and non-contributory programmes,” explained ILO social protection specialist Fabio Duran-Valverde.

“It also shows that progress towards the universalisation of pension systems is feasible and affordable even in developing countries such as Cabo Verde. Obviously, a strong commitment by the government is a key ingredient,” he added.

Not only were existing programmes unified through the CNPS, but also the whole process was modernised to make it more efficient. The latest technology is being introduced to identify beneficiaries and avoid fraud, using sophisticated techniques such as identification by fingerprints.

“Before, we used to send all applications from the regions to the head office. The new computer system makes it possible to decentralise services in different cities,” says CNPS President René Ferreira.

As a result, the social pension almost doubled its coverage in less than 10 years by reaching out to women and people in rural areas.

“Major progress has been made in just a few years and the project is well on track,” said Joana Borges-Henriques, ILO National Coordinator for Cabo Verde.

“There are still many challenges, but the fact that Cabo Verde is moving rapidly towards the universalisation of its pension system is good news far beyond the country. It shows that establishing a social protection floor can not only improve the lives of the most vulnerable but also contribute to the social and economic development of a country,” she concluded.

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